STATE RISK MANAGEMENT WORKERS COMPENSATION FUND
INVESTMENT PERFORMANCE REPORT AS OF MAY 31, 2007

	May-07				April-07				March-07					December-06				September-06				Current FYTD	Prior Year FY06	3 Years Ended	5 Years Ended
		Allocation		Month		Allocation		Month		Allocation		Quarter	Month		Allocation		Quarter		Allocation		Quarter			6/30/2006	6/30/2006
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY																									
Structured Growth																									
Los Angeles Capital	180,344	4.2%	4.2%	4.50%	177,105	4.2%	4.2%	4.40%	169,631	4.1%	4.2%	3.86%	0.72%	165,348	4.1%	4.2%	7.40%	157,718	4.0%	4.2%	1.60%	23.62%	11.12%	N/A	N/A
Total Structured Growth	180,344	4.2%	4.2%	4.50%	177,105	4.2%	4.2%	4.40%	169,631	4.1%	4.2%	3.86%	0.72%	165,348	4.1%	4.2%	7.40%	157,718	4.0%	4.2%	1.60%	23.62%	11.12%	N/A	N/A
Russell 1000 Growth				3.60%				4.71%				1.19%	0.54%				5.93%				3.94%	20.85%	6.12%	N/A	N/A
Structured Value																									
LSV	179,655	4.2%	4.2%	4.03%	177,280	4.2%	4.2%	4.93%	168,910	4.1%	4.2%	2.37%	2.03%	183,021	4.5%	4.2%	8.09%	173,783	4.4%	4.2%	4.90%	26.71%	15.05%	N/A	N/A
Russell 1000 Value				3.61%				3.70%				1.24%	1.55%				8.00%				6.22%	24.78%	12.10%	N/A	N/A
Russell 1000 Enhanced Index																									
LA Capital	361,262	8.5%	8.3%	3.94%	356,660	8.5%	8.3%	4.77%	340,388	8.2%	8.3%	1.64%	0.67%	346,808	8.5%	8.3%	7.67%	314,595	8.0%	8.3%	3.71%	23.60%	11.58%	N/A	N/A
Russell 1000				3.60%				4.20%				1.21%	1.04%				6.95%				5.06%	22.77%	9.08%	N/A	N/A
S&P 500 Enhanced Index																									
Westridge	384,414	9.0%	8.3%	3.54%	381,101	9.0%	8.3%	4.47%	364,716	8.8%	8.3%	0.75%	1.16%	349,431	8.6%	8.3%	6.86%	335,928	8.6%	8.3%	5.75%	23.14%	8.77%	N/A	N/A
S&P 500				3.49%				4.43%				0.64%	1.12%				6.70%				5.67%	22.63%	8.63%	N/A	N/A
Index																									
State Street	111,316			3.29%	110,548			4.09%	106,192			1.60%	1.54%	122,815			8.03%	116,697			5.78%	24.84%	9.51%	N/A	N/A
Total 130/30	111,316	2.6%	2.8%	3.29%	110,548	2.6%	2.8%	4.09%	106,192	2.6%	2.8%	1.60%	1.54%	122,815	3.0%	2.8%	8.03%	116,697	3.0%	2.8%	5.78%	24.84%	9.51%	N/A	N/A
S&P 500				3.49%				4.43%				0.64%	1.12%				6.70%				5.67%	22.63%	8.63%	N/A	N/A
TOTAL LARGE CAP DOMESTIC EQUITY	1,216,990	28.5%	27.8%	3.85%	1,202,694	28.5%	27.8%	4.58%	1,149,837	27.8%	27.8%	1.79%	1.11%	1,167,422	28.7%	27.8%	7.50%	1,098,721	28.1%	27.8%	4.49%	24.17%	10.95%	N/A	N/A
S&P 500				3.49%				4.43%				0.64%	1.12%				6.70%				5.67%	22.63%	8.63%	N/A	N/A
SMALL CAP DOMESTIC EQUITY																									
Manager-of-Managers																									
SEI	408,634	9.6%	9.3%	4.63%	398,242	9.4%	9.3%	3.00%	386,581	9.3%	9.3%	2.43%	1.12%	394,040	9.7%	9.3%	8.82%	361,694	9.2%	9.3%	-0.01%	20.11%	13.58%	N/A	N/A
Russell 2000 + 200bp				4.27%				1.96%				2.45%	1.24%				9.43%				0.94%	20.32%	16.86%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	408,634	9.6%	9.3%	4.63%	398,242	9.4%	9.3%	3.00%	386,581	9.3%	9.3%	2.43%	1.12%	394,040	9.7%	9.3%	8.82%	361,694	9.2%	9.3%	-0.01%	20.11%	13.58%	N/A	N/A
Russell 2000				4.10%				1.80%				1.95%	1.07%				8.90%				0.44%	18.17%	14.58%	N/A	N/A
DOMESTIC FIXED INCOME																									
Core Bond																									
Western Asset	756,352	17.7%	18.6%	-0.75%	752,230	17.8%	18.3%	0.68%	743,577	18.0%	18.3%	1.61%	0.01%	827,837	20.4%	20.7%	2.01%	806,190	20.6%	20.7%	4.45%	8.19%	-0.90%	N/A	N/A
Lehman Aggregate				-0.76%				0.54%				1.50%	0.00%				1.24%				3.81%	6.44%	-0.81%	N/A	N/A
Mortgage Backed																									
Hyperion	210,666	4.9%	4.8%	-0.50%	209,090	5.0%	4.8%	0.37%	207,686	5.0%	4.8%	N/A	0.92%	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Lehman Global Aggregate (US Securitized Portion)												1.89%													
Core Plus/Enhanced																									
Clifton Group	209,285	4.9%	4.8%	-1.00%	208,520	4.9%	4.8%	0.59%	206,281	5.0%	4.8%	1.91%	0.12%	188,401	4.6%	4.8%	0.66%	185,957	4.8%	4.8%	N/A	N/A	N/A	N/A	N/A
Prudential	209,830	4.9%	4.8%	-0.53%	208,110	4.9%	4.8%	0.63%	205,706	5.0%	4.8%	1.49%	-0.02%	188,662	4.6%	4.8%	1.88%	183,881	4.7%	4.8%	N/A	N/A	N/A	N/A	N/A
Total Core Plus/Enhanced	419,115	9.8%	9.6%	-0.77%	416,630	9.9%	9.6%	0.61%	411,986	10.0%	9.6%	1.70%	0.05%	377,063	9.3%	9.6%	1.27%	369,837	9.5%	9.6%	N/A	N/A	N/A	N/A	N/A
Lehman Aggregate				-0.76%				0.54%				1.50%	0.00%				1.24%				3.81%				
Index																									
Bank of ND	373,357	8.8%	8.4%	-0.90%	371,627	8.8%	9.0%	0.57%	379,307	9.2%	9.0%	1.37%	-0.26%	348,252	8.6%	9.0%	1.31%	354,587	9.1%	9.0%	3.10%	5.54%	-1.14%	N/A	N/A
Lehman Gov/Credit (1)				-0.86%				0.59%				1.47%	-0.17%				1.04%				3.91%	6.23%	-1.52%	1.04%	4.78%
BBB Average Quality																									
Wells Capital (formerly Strong)	752,040	17.6%	18.6%	-0.85%	748,816	17.7%	18.3%	0.90%	738,489	17.8%	18.3%	1.74%	-0.60%	825,474	20.3%	20.7%	1.75%	805,972	20.6%	20.7%	4.60%	8.33%	-2.11%	N/A	N/A
Lehman US Credit BAA				-0.93%				0.90%				1.79%	-0.62%				1.49%				4.80%	8.22%	-2.37%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	2,511,530	58.9%	60.0%	-0.78%	2,498,393	59.2%	60.0%	0.69%	2,481,046	60.0%	60.0%	1.57%	-0.14%	2,378,625	58.5%	60.0%	1.70%	2,336,586	59.7%	60.0%	4.28%	7.62%	-1.39%	N/A	N/A
Lehman Aggregate (2)				-0.76%				0.54%				1.50%	0.00%				1.24%				3.81%	6.44%	-0.81%	N/A	N/A
CASH EQUIVALENTS																									
Bank of ND	127,205	3.0%	3.0%	0.44%	120,971	2.9%	3.0%	0.43%	120,454	2.9%	3.0%	1.32%	0.46%	127,751	3.1%	3.0%	1.32%	115,196	2.9%	3.0%	1.35%	4.94%	4.50%	N/A	N/A
90 Day T-Bill				0.44%				0.44%				1.25%	0.45%				1.26%				1.33%	4.80%	4.00%	N/A	N/A
TOTAL RISK MANAGEMENT FUND	4,264,359	100.0%	100.0%	1.08%	4,220,299	100.0%	100.0%	1.98%	4,137,918	100.0%	100.0%	1.73%	0.34%	4,067,838	100.0%	100.0%	3.98%	3,912,197	100.0%	100.0%	3.87%	13.26%	3.25%	N/A	N/A
POLICY TARGET BENCHMARK				0.91%				1.73%				1.31%	0.42%				3.44%				3.94%	11.82%	3.37%	N/A	N/A

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.
(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.